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# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

0003

January 27, 2010

Daniel Sheppard  
GoldTerra, Inc.  
P. O. Box 783  
Price, Utah 84501

Subject: Deficient Amended Notice of Intention to Commence Small Mining Operations (NOI), GoldTerra Inc., Blue Castle Mine, S/015/0077, Emery County, Utah

Dear Mr. Sheppard:

On December 22, 2009, the Division received a proposal to conduct exploration activities within the disturbed area of the Blue Castle mine. I apologize for the time it has taken to return a review, but the following items need to be adequately addressed before the Division can determine the amended NOI to be complete:

1. Please specify the depth of the holes. It currently indicates some would be less than fifty feet deep and some would be greater, but it should give a maximum depth and an indication whether it is likely water will be encountered while drilling.
2. The amendment says the holes less than fifty feet deep would be backfilled with cuttings to within 12-18 inches of the surface and that the balance would be filled with concrete. This is not in keeping with rule R647-3-108 which requires that the holes be filled with concrete to a depth of five feet, but it may be acceptable if the holes are shallow. This would be a variance that the Division would have to specifically approve. If you desire to seek this variance, please provide justification for the variance and alternate methods that would be used to achieve the environmental protection goals of the hole plugging requirements.

Please provide these modifications to the plan by providing replacement pages for your NOI.

Enclosed with this letter is a copy of the signed addendum to the reclamation contract reflecting the surety increase to \$12,000.00 associated with the proposed increased disturbance to two acres. Thank you for providing the increased surety.



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Dan Sheppard  
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If you have questions or concerns regarding this letter, please contact me at 801-538-5261 or Wayne Western at 801-538-5263.

Sincerely,

A handwritten signature in black ink, appearing to read 'PBB' followed by a stylized flourish.

Paul B. Baker  
Minerals Program Manager

PBB:whw:pb

cc: christopher\_Conrad@blm.gov

Dan Guy, Blackhawk Engineering, 1056 W. 2060 N., Helper, UT 84526

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